

 Executive 27 July 2016		Agenda Item No. 8
Title	Review of Warwick District Members' Allowances Scheme	
For further information about this report please contact	Graham Leach Democratic Services Manager & Deputy Monitoring Officer 01926 456114, graham.leach@warwickdc.gov.uk	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	None	
Background Papers	The Local Authorities (Members' Allowances) (England) Regulations 2003	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	No
The review would impact on all residents equally and would be undertaken by an external party.	

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	4/7/2016	Chris Elliott
Head of Service		
CMT		
Section 151 Officer	11/7/2016	Mike Snow
Monitoring Officer	4/7/2016	Graham Leach (Deputy)
Finance		
Portfolio Holder(s)	5/7/2016 5/7/2016	Councillor Andrew Mobbs Councillor Michael Coker
Consultation & Community Engagement		
Procurement Manager – 20/5/2016		
Final Decision?	Yes	
Suggested next steps (if not final decision please set out below)		
The report of the Independent Remuneration Panel will come back to Executive in October who will consider it and provide recommendations to Council.		

1. **Summary**

- 1.1 The report brings forward proposals for a review of the Warwick District Members' Allowances Scheme.

2. **Recommendation**

- 2.1 That the Executive approve the terms of Reference for the review of the Warwick District Members' Allowances Scheme as set out at Appendix 2 to the report.
- 2.2 That as part of this review, officers consult on the proposal to revise the provision of Committee teas, as set out at below:
 - 1. That no refreshments are provided at meetings starting before 6.00pm;
 - 2. That only drinks and biscuits are provided at all meetings starting at 6.00pm or later excluding Planning Committee and Annual Council;
 - 3. The food provided before Planning Committee is reviewed with the current contractor to provide an amended specification within the current budget.
- 2.3 That the Executive notes that, in parallel to this review, proposals will be consulted on with employees regarding (1) subsistence rates; and (2) the provision of food at training courses hosted by the Council and other events, with a view to ensuring a common approach of not claiming subsistence for Council, Executive, Committee, Sub-Committee meetings or training courses arranged by the Council.
- 2.4 That all Councillors be asked to set out their views on the current Members' Allowances Scheme and pass these to the Democratic Services Manager & Deputy Monitoring Officer for him to forward to the Independent Remuneration Panel (IRP).
- 2.5 That the Executive agrees that all Group Leaders, plus the Green Party Councillor, should meet with the IRP to present the views of their Group on the current scheme and work of members.
- 2.6 The Executive agrees funding of up to £5,000, from the contingency budget, for this review to be undertaken.
- 2.7 That the Executive appoints Dr Declan Hall to undertake the review of the Members Allowances Scheme and act as Chairman of the Panel up to June 2020.
- 2.8 That the Executive agrees that the IRP should comprise of Dr Hall, a representative of the Local Chamber of Trade, a former Councillor and the former Independent Chairman of the Standards Committee and that the appointment of the Individuals be delegated to the Deputy Chief Executive & Monitoring Officer, in consultation with the Leader.
- 2.9 That the other members of the IRP Panel are paid expenses incurred in undertaking the review and a mileage rate of 0.45p per mile.
- 2.10 That the IRP reports back to the Executive to their November 2016 meeting, with a view to the new arrangements coming into effect from 1 April 2017, at the latest.

3. **Reasons for the Recommendation**

- 3.1 The Council is obliged, by legislation, to review its Members Allowances scheme every four years. This review is now due as the last review was undertaken during 2011.
- 3.2 The terms of reference appended to this report enable an overview of the current scheme to be undertaken but also highlight specific issues that have been raised by Councillors within the last 18 months. This list also highlights some comments made by officers during the consultation process on revised terms and conditions for officers. These are brought forward as the basis for the review to consider the equity between the allowances for members and terms and conditions for officers and provide clarification or proposals to ensure consistency/harmony in the approach.
- 3.2 The revisions to the provision of food before meetings is based upon feedback from Councillors combined with a view to a potential saving for the Council that would contribute to the savings required within the general budget. This is combined with an overall review of provision of subsistence allowances and refreshment provision at meetings for officers and Councillors. It needs to be considered carefully along with the potential impact for those coming straight from the office to a meeting after working all day. This may indirectly result in revised working patterns which could have a detrimental effect on the operation of the Council.
- 3.3 Any Independent Remuneration Panel (IRP) undertaking the review would want to hear the view of Councillors about their workload as a Councillor and the demands placed upon them. This will enable the IRP to provide informed recommendations. That said it would be imperative that Group Leaders meet with the IRP so that the Group Leaders can raise any specific concerns about the scheme.
- 3.4 At present no budget provision has been made for the review to be undertaken. Based on experience and the quote received for the work, it is considered that an allocation of £5,000 from the contingency budget would be sufficient. This would be enough to provide for mileage costs as well as the fee for the Chairman.
- 3.5 The Panel, by its nature, has to be independent of the Council and would require funding in some form. The Council has approached a recognised expert (Dr Hall) in this area of work who has been recommended to the Council by colleagues at neighbouring authorities. Dr Hall has provided a quote which is within the restraints of the procurement framework for officers to approve. However, it is felt appropriate that the Executive appoint Dr Hall to lead on the review and appoint him as the Chairman of the IRP. This appointment will reduce the level of work required to be undertaken to support the panel and collate information for them. Dr Hall would also provide training for the Panel on their role and responsibilities under the relevant legislation thus negating the need to bring in a third party to undertake this work as well. In addition, appointing Dr Hall as Chairman for four years will enable the Council to consult with him on any questions/interpretations on the life time of the scheme. The use of Dr Hall to undertake the review of allowance is therefore good value for money. The quote provided for the work is under £4,999 and he can be appointed without the need a wider procurement process. This has been agreed with the Procurement Manager.

3.6 The proposed membership of the Panel is based on good practice and ensures a good understanding of the local area and challenges faced by the Council. The delegation of the appointment of individuals enables discussions to be held informally with individuals before they are confirmed as members of the Panel.

3.7 It is anticipated that the work will be completed by October 2016 but time will be needed to compile the covering report and bring this through the report approval process.

4. Policy Framework

4.1 **Policy Framework** – The report does not impact on the Council’s Policy Framework.

4.2 **Fit for the Future** – The proposal focuses on a commitment to engage and work with the local community. The outcome should also provide a more equitable scheme for Councillors that reflects their commitment to the role thus reflecting the People strand of Fit for the Future.

4.3 **Impact Assessments** – No impact assessments have been undertaken on the proposals within this report

5. Budgetary Framework

5.1 The proposals in report do not impact on the Budgetary Framework for the Council. The contingency budget currently stands at £248,500 and the use for this proposal would reduce it to £243,500.

5.2 For information the current budget allocations for member allowances and expenditure is outlined below:

	2016 budget	2015 budget	2015 actual	2014 budget	2014 actual
Mileage	£5,000	£5,000	£2,895	£5,000	£3,572
Cttee Teas	£14,200	£18,000	£16,374	£18,000	£14,045
Broadband	£6,700	£6,700	£3117	£6,700	£4,865
Basic allowance	£211,600	£211,600	£215,517	£211,600	£212,342
SRA Allowance	£54,300	£54,300	£49,019	£54,300	£56,342
Subsistence	£800	£800	£266	£800	£10

6. Risks

6.1 The main risks associated with the report are the potential impact on the contract for the provision of Committee Teas and the impact of further changes to staff terms and conditions.

6.2 The Executive should be mindful that the contract for the provision of Committee teas is in place until December 2017 and significant revisions to this provision could lead to a challenge that the Council is terminating the contract early.

6.3 The proposed changes in terms and conditions could lead to concerns from members of staff but it is important to recognise these proposals are for consultation and not for adoption at this stage.

7. Alternative Option(s) considered

- 7.1 The Council is obliged to review its Members Allowances Scheme at least every four years and this review is now due. The Executive could revise the list of specific areas to be considered including adding further question to the list.
- 7.2. The Executive could decide not to appoint Dr Hall, but this would mean the Council would need to seek and recruit an expert in this area to undertake the review or find a person to Chair the Panel who would then need to be trained, most likely by Dr Hall. Therefore, this option was not progressed.
- 7.3 It was requested by the Executive that the proposals around refreshments at meetings and subsistence be reconsidered along with officer's terms and conditions and this review provides a proposal for consultation to take place.

**SCHEME FOR
MEMBERS' ALLOWANCES**



July 2008
(Confirmed by Council 14 July 2010,
Revised mileage rates 1st April 2011,
&
Inclusion of Vice-Chairman of Planning
SRA 26 June 2013, revised Council 14
May 2014 for new Committee SRA)

FOREWORD

Subject only to the requirements of commercial or personal confidences which must be maintained, Warwick District Council continues to strive to be open with the public about its activities and to encourage people to communicate their views. In keeping with its strive for increasing openness, the Council is happy to make details of its Members' Allowances Scheme available to the public. Copies of this document are available from the Head of Finance, P.O. Box 2180, Riverside House, Milverton Hill, Royal Leamington Spa, CV32 5QW. Telephone 01926 456812.

Details of amounts paid to individual members are also open to public inspection and are available on the Council's website.

The Council has considered the report of the Independent Remuneration Panel of March 2008 and has implemented the recommendations of the Panel.

It is anticipated that the overall cost of the members allowances scheme will be £274,000 per annum - an average of around £6,500 per year for each member. Although this is an average, some members are paid more because of their particular responsibilities.

Mike Snow,
Head of Finance.

SCHEME FOR MEMBERS' ALLOWANCES

Warwick District Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) (England) Regulations 2003, has made the following scheme for Members' Allowances.

Definitions

1. In this scheme:-

- a) "Councillor" means a member of the Warwick District Council who is a Councillor;
- b) "Co-Optee" means a person who serves on the committees or sub-committees of an Authority but who is not a member of an Authority,
- c) "Year" means the twelve months ending with the Annual Meeting of the Council.

2. **Basic Allowance**

Subject to paragraph 5, for each year a basic allowance of £4631 shall be paid to each Councillor.

3. **Special Responsibility Allowance**

- a) For each year a special responsibility allowance shall be paid to those Councillors who hold the special responsibilities in relation to the authority that are specified in Schedule 1 to the scheme.
- b) Subject to paragraph 5, the amount of each such allowance shall be the amount specified against that special responsibility in that scheme.
- c) Only one special responsibility allowance will be payable, and this will normally be the largest for which the Councillor is eligible.

4. **Renunciation**

A Councillor may by notice in writing given to the Head of Finance elect to forego any part of his/her entitlement to an allowance under this scheme.

5. **Part Year Entitlements**

- a) This part of the scheme deals with entitlement to allowances where during any year:- the scheme is amended; a Councillor is elected to or leaves the Council; or a Councillor takes on or gives up a position for which a special responsibility allowance is payable.
- b) Any changes affecting special responsibilities will result in pro rata payments from the date of the change.
- c) Newly elected Councillors or Councillors leaving the Council during the year will be entitled to basic allowance pro rata to the full year allowance.
- d) Councillors entitled to special responsibility allowances for part only of any year will be paid a pro-rata amount.

6. **Payments**

Payments shall be made of basic and special responsibility in instalments of one-twelfth of the amount specified each month, subject to the amount due being adjusted in accordance with paragraph 5.

7. **Uprating**

The allowances identified in paragraphs 2 and 3 above and 11 below shall be increased by the annual local government pay percentage increase as agreed each April (linked to spinal column point 49 of the NJC scheme) to be implemented the following May in that year from the date of the Council Annual Meeting.

8. **Travel and Subsistence Allowances**

- a) Councillors shall be entitled to claim allowances for the cost of certain travel and subsistence, as prescribed in Schedule 3 to this scheme.
- b) These allowances will be the same rates as applicable to employees except in the case of the car, bicycle and motorcycle mileage which will be the allowance to the rates prescribed by HMRC.

9. **I.T. Expenses**

All Councillors, upon production of receipts, can claim for reimbursement for broadband supplied to their homes, up to a maximum monthly sum currently paid for the Council-supplied broadband, or actual reimbursement if less.

10. **Vice Chairman's Expenses**

For those occasions where the Vice Chairman of the Council is required to attend official functions but does not have use of the civic car, it will be appropriate for the Vice Chairman to be reimbursed any car travel expenses incurred, in accordance with the rates set out in Schedule 3.

11. **Dependants' Carers' Allowance**

- a) A dependents' carers' allowance is payable to members who incur expenditure on the care of children or dependents on approved duties only.
- b) The event requires the member to provide care for a person who normally lives with the member as part of his/her family and who is:
 - i) a child under 14
 - ii) an elderly or disabled dependdnt requiring care.
- c) In the case of (i) Member must register that they have a dependent child living with them under the age of 14. A signed statement is to be produced which declares that childcare has been provided by a childminder or member of the immediate family not normally resident at the Member's home address.
- d) In the case of (ii) Members must make a written declaration to be lodged with the Standards Committee (and the Legal and Democratic Services Manager). A receipt for actual expenditure incurred has to be produced. As care for elderly and/or disabled dependents would be provided by

professional carers they would be in a position to provide formal receipts in a way that many child carers would not.

- e) Payment will be made as follows:
 - i) the child care element should be paid at the maximum rate of minimum wage relevant to the age of the carer as long as they are over 18 years of age or less for actual reimbursement.
 - ii) the medical/social care element should be paid at the average hourly rate charged by Warwickshire Social Services for social/medical care of dependents or less for actual reimbursement and only upon production of receipts.

12. **Disabled Allowance**

Payment of an allowance to disabled members to assist them in carrying out their duties. This would be at the same level of support that would be offered to disabled officers. Decisions to provide support and at what level to be taken by the Head of Organisation and Performance Improvement and Head of Finance jointly.

13. **Suspension of Allowances**

If a member of the Council or a co-opted member of the Council is suspended from the Council after being found of a breach of the Code of Conduct their allowances be suspended for the duration of that suspension.

SCHEDULE 1
SPECIAL RESPONSIBILITY ALLOWANCES

The following are specified as the special responsibilities in respect of which special responsibility allowances of the amounts shown are payable:-

Leader of the Executive	£8371 per annum
Portfolio Holders on Executive	£3961 per annum
Non-Portfolio Holders on Executive	£3181 per annum
Chairmen of Overview and Scrutiny Committees	£2511 per annum
Chairman of Planning Committee	£3865 per annum
Chairman of Standards Committee	£1115 per annum
Chairman of the Licensing & Regulatory Committee	£3181 per annum
Chairman of the Warwick District Towns Conservation Area	£1115 per annum
Advisory Forum	
Chairman of Employment Committee	£1115 per annum
Vice-Chairman of Planning Committee	£1115 per annum
Leader of an Opposition Group (minimum of 4 members)	£822.00 per annum Plus £103 per group member
Co-optee Allowance	£281 per annum
Appeals panels	£135 per day or £67.50 per half day

SCHEDULE 2
MEETINGS QUALIFYING FOR
TRAVEL & SUBSISTENCE ALLOWANCE

Travelling and Subsistence allowances may be claimed as follows:-

- (i) Attendance at a meeting of the Council, the Executive, or any of its Committees or Sub-Committees, including training seminars arranged for members.
- (ii) All meetings held as pre agreed briefings as part of the Council's Committee timetable between any Committee, Policy or Scrutiny Chair, or Portfolio Holder and appropriate briefing officer of the Council.
- (iii) Attendance at any meeting which may be arranged to discuss matters affecting the work of the Council, provided such meeting is recognised in advance by the Head of Finance and Group Leaders.
- (iv) Attendance at Council, Committee and Sub-Committee meetings of the Association of District Councils and the Local Government Association.
- (v) Attendance at Council, Committee and Sub-Committee meetings of the West Midlands Provincial Council or carrying out Provincial Council duties.
- (vi) Attendance at meetings of a Working Party and Forum or Study Group formally appointed by the Council or one of its Committees.
- (vii) Attendance as an appointed representative of the Council at meetings with, or delegations to, local authorities or public bodies.
- (viii) Attendance as an appointed representative of the Council at meetings of a Study Group or Working Party appointed by another local authority or public body.
- (ix) Attendance as an official Council representative at meetings of bodies or organisations on the list retained by the Monitoring Officer.

SCHEDULE 3

MEMBERS TRAVELLING and SUBSISTENCE ALLOWANCES

GENERAL

All references in this schedule to travel and subsistence allowances are subject to the overriding requirement that they relate to a duty under Schedule 2.

A. TRAVEL

Within the District on approved duties:

Casual Car user Rate:

Following the decision by the Council on 29 June 2009 that the Inland Revenue rates on mileage will be applied to all Councillors from the 1 July 2009 whatever the type and engine size of vehicle, **this currently stands at 45p per mile from 1 April 2011.**

Bicycle Allowance
20p per mile

Motorcycles
24p per mile

Out of District on approved duties:

The most cost-effective method of transport should be used. (This is usually public transport). Receipts must be supplied for all public transport journeys

Travel by car to be at the Casual Car User Rate shown above.

Travel by train to be at standard class.

Exceptional circumstances requiring first class travel require the prior approval of the Chief Executive

Other types of journeys requiring different modes of travel require the prior approval of the Chief Executive

Requirement for Business Use Insurance

Members are reminded that if you use your own vehicle on Council business, then you should ensure that the vehicle is insured for business use and for third party claims e. g. passengers. The mileage allowance includes an element to cover you for these costs.

B. SUBSISTENCE

Within the District on approved duties:

Except where food is provided at Council meeting the NJC rates of subsistence apply for approved duties

Breakfast	£6.61
Lunch	£9.10
Tea	£3.59
Dinner	£11.28

Out of District on approved duties:

Wherever possible meals and accommodation should be pre booked and pre paid in advance through the Council.

If this is not possible then they should conform to the above rates.

For meals that cannot be pre-booked and paid and are in excess of the current rates payable, then reasonable costs will be reimbursed on production of receipts up to a limit of £40 per day.

**Terms of Reference for the 2016 review of
Warwick District Council Members Allowances Scheme**

1. Review basic allowance to ensure that it is appropriate for the Council.
2. Review of the Special Responsibility Allowances for the Council to ensure they are set at an appropriate level.
3. To consider if Councillors should re-opt back into receiving a percentage increase in the basic or special responsibility allowances in line with any agreed national pay award for local government officers on scale point 28.
4. To consider if it is appropriate that Councillors are entitled to claim mileage for attending parish Council meetings? They believe they have an obligation to attend these meetings and update them on District Council business and represent the District Council.
5. Consider if District Councillors be entitled to claim mileage when attending events and duties as Portfolio Holder. This is based on increasing involvement of Portfolio Holders in representing the Council at events, while recognising that they already receive a Special Responsibility Allowance.
6. To remove the broadband allowance for Councillors in recognition that broadband is now a common standard for homes, reflects the decision to remove the homeworking allowance and broadband allowance for officers who work from home. In addition HMRC now identify this as a taxable benefit and being mindful that only 12 councillors currently claim for this.
7. To consider if it is appropriate for Councillors to claim mileage to attend Council, Executive and Committee meetings that would be considered as their place of work.
8. To consider if mileage should be paid for Councillors attending meetings when being consulted by officers prior to officers taking a decision. For example "Following consultation with a solicitor acting for the Council and the Chair or Deputy Chair of the Licensing & Regulatory Committee to exercise the power under Section 61 of the Local Government (Miscellaneous Provisions) Act 1976 (as inserted by the Road Safety Act 2006), to suspend or revoke a private hire or hackney carriage driver's licence where it appears that the interests of public safety require such suspension or revocation to have immediate effect."
9. Consideration is given to the allowance to the Chair & Vice-Chair of the Council as to if they should receive an Special Responsibility Allowance for the responsibility then a separate allowance outside the Members Allowances Scheme to attend and hosts events
10. To bring forward a revised Subsistence scheme for members in line with the proposals being considered for officers.
11. The Council currently provides some iPads to all Councillors who wish to have them. At present we have 32 iPads issued to Councillors with some Councillors choosing to use their own personal device instead. Of these 15 Councillors have Sim cards included in the iPad so they can work when not connected to the internet by wifi access. The Council believes it is an Executive decision to issue the equipment and determine which Councillors should be entitled to have SIM card. For that reason the Councillors IT Working Party are drafting protocol for which Councillors are entitled to have a Sim based on their role and need.
12. At present Councillors can receive paper and toner for printers. However, the intention is for the Council to move towards a paperless environment and not printers, unless there is a specific medical need. Therefore would it be acceptable to update the Members' Allowances Scheme to reflect this.

13. The scheme should be updated to remove the section regarding suspension of Allowances because this related to the previous code of conduct legislation and cannot be acted on under the Localism Act.